

APPROVED FEBRUARY 21, 2013

The regular meeting of the Douglas County Board of Commissioners was held on February 7, 2013 in the Douglas County Commissioner Meeting Room of the Douglas County Administration Building, 1616-8th Street, Minden, Nevada, beginning at 1:04 p.m.

COMMISSIONERS PRESENT: Greg Lynn, Chairman; Doug N. Johnson, Vice Chairman; Lee Bonner; Nancy McDermid and Barry Penzel.

STAFF PRESENT: Ted Thran, Clerk-Treasurer; Sheriff Ron Pierini, DCSO; Stephen Mokrohisky, County Manager; Doug Ritchie, Chief Civil Deputy District Attorney; Carl Ruschmeyer, Public Works Director; Dirk Goering, Associate Planner; Candace Stowell, Planning Manager; Jeff Foltz, Senior Civil Engineer; Christine Vuletich, Assistant County Manager/CFO; Kathy Lewis, Budget Manager; Karen Goode, Social Services Manager; Scott Morgan, Community Services Director; Lisa Granahan, Economic Vitality Manager and Lorraine Diedrichsen, Clerk to the Board.

INVOCATION

The Invocation was led by Patricia Smith, Carson Valley Sertoma Club.

PLEDGE OF ALLEGIANCE

Doug Johnson led the Pledge of Allegiance.

APPROVAL OF AGENDA

MOTION by Bonner/McDermid to approve the agenda as presented; carried unanimously.

DOUGLAS COUNTY AWARD PRESENTATION

1. Ceremonial presentation of employee service award to Linda Wilson from the Library.

This item was postponed to a future meeting.

2. Ceremonial presentation on Proclamation Number 2013P-014 recognizing the Douglas County Selection Committee and Design Team for their outstanding contribution to the Douglas County Community & Senior Center Project.

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The Proclamation was read into the record and presented to Bob Cook and others. Mr. Cook thanked the community for their support of this project.

This was a presentation only.

3. Ceremonial presentation on Proclamation Number 2013P-012 recognizing Andy Aldax's 53 years of dedicated service to the Carson Water Subconservancy District.

The Proclamation was read into the record and presented to Andy Aldax. Yolanda Garcia, on behalf of Senator Harry Reid, presented Mr. Aldax with a United States Senator Harry Reid Certificate of Commendation. Mr. Aldax thanked everyone for the honors bestowed on him. He has enjoyed his time on this District board and has met many wonderful folks.

This was a presentation only.

PUBLIC COMMENT

Jack Van Dien would like more transparency when setting wholesale water rates for the regional water utility. He requested formal advisory boards be established for the water and sewer utilities.

Ron Garside, Commander of the VFW for Carson Valley, would like to build a veteran's hall in Douglas County and requested county help.

Bob Pohlman discussed the history of the cost of water being provided by the Town of Minden. He stated concerns related to how Douglas County's portion of the depreciation and bonds for the intertie would be handled. He would like a special meeting held to discuss the intertie so the public would have more information.

Bob Ballou believes enterprise funds should be self supporting but recalled transfers of funds from other sources to offset shortfalls in the funds. He hopes the county water systems are not being balanced on the backs of other taxpayers. He requested a water advisory board be appointed to oversee the county water systems.

Stuart Posselt talked about his water rates and the upcoming consideration to increase the wholesale water rate. He would like a meeting held to educate the users of the county's systems on what is happening and how it will affect their water rates. He believes the negotiations between Douglas County and the Town of Minden should be held in an open meeting.

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Jim Slade discussed the impact the new Wal-Mart will have on local businesses. He presented articles on how Wal-Mart affects local labor markets, local economies and community character. He urged the county to track the net effect of Wal-Mart's arrival and to enact an ordinance banning big box stores.

Public comment closed.

CONSENT CALENDAR

MOTION by McDermid/Penzel to approve the Consent Calendar items 4a-4w;

FINANCE

4a. For possible action. Review status of treasury funds through February 7, 2013 per NRS 251.030.

MOTION to approve;

CLERK-TREASURER

4b. For possible action. Cumulative voucher sheets for checks issued.

MOTION to approve;

4c. For possible action. Discussion to appoint Elaine Pace as Chairman for the 2013 Douglas County Board of Equalization. Per NRS 361.340 (4).

MOTION to approve;

AIRPORT

4d. For possible action. Discussion on the adoption of Resolution Number 2013R-013 establishing rates and charges for the use of Airport facilities and for activities at the Minden-Tahoe Airport.

MOTION to adopt;

4e. For possible action. Discussion on approval of a Commercial Fuel Tank Land Lease between the Minden-Tahoe Airport and Hutt Aviation, Inc. permitting the storage of a single 12,000 gallon fuel tank. The lease is for a twenty-year period with an option at the end of the term for two five-year terms at the discretion of the County.

MOTION to approve;

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COUNTY MANAGER

4f. For possible action. Discussion on the adoption of Resolution Number 2013R-008 to no longer provide notary services within departments that report to the County Manager to the general public for non-county related business effective March 31, 2013.

MOTION to adopt;

4g. For possible action. Discussion on receipt of Annual Reports from various Douglas County advisory boards including 911 Surcharge Advisory Committee, Airport Advisory Committee. Law Library Board, Douglas County Advisory Board to Manage Wildlife, Library Board of Trustees, Parks and Recreation Commission, Planning Commission, Regional Transportation Commission, Senior Services Advisory Council, and the Water Conveyance Advisory Committee.

MOTION to approve;

REDEVELOPMENT AGENCY

4h. For possible action. Discussion to approve setting the interest rate for the loan from Douglas County to the Douglas County Redevelopment Agency at the annual rate of 3.75% for the six month period from December 1, 2012 through May 31, 2013.

MOTION to approve;

4i. For possible action. Discussion to approve a Line Extension Agreement between Sierra Pacific Power Company, doing business as NV Energy, and Douglas County Redevelopment Agency for undergrounding part of the utilities within the main corridor of the Town of Genoa as part of the Genoa Destination Main Street Landscaping Project.

MOTION to approve;

SECOND DISTRICT COURT

4j. For possible action. Discussion to approve a contract with Jamie C. Henry, Esq. to provide indigent legal services within Douglas County at a cost not to exceed \$81,597.22.

MOTION to approve;

EAST FORK FIRE AND PARAMEDIC DISTRICT

4k. For possible action. Discussion on the East Fork Fire and Paramedic Districts' Monthly Report for November 2012 and authorization of accounts receivable to write-offs for the month of November 2012 in the amount of

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\$184,595.63. These write-offs consist of \$178,404.24 in mandatory governmental write-offs, \$2,341.00 in bad debt write-offs and \$3,850.39 in contractual write-off for November 2012.

MOTION to approve;

4l. For possible action. Discussion on the East Fork Fire and Paramedic Districts' Monthly Report for December 2012 and authorization of accounts receivable to write-offs for the month of December 2012 in the amount of \$110,281.95. These write-offs consist of \$84,815.14 in mandatory governmental write-offs, \$23,907.04 in bad debt write-offs and \$1,559.77 in contractual write-off for December 2012.

MOTION to approve;

SHERIFF

4m. For possible action. Discussion to approve the agreement between the Douglas County Sheriff's Office and the USDA Forest Service Lake Tahoe Basin Management Unit providing patrol services to Nevada Beach on July 4th as well as boat patrol service in the area of Nevada Beach for the summer at a cost to the USDA Forest Service of up to \$5,000 annually.

MOTION to approve;

4n. For possible action. Discussion on approval of a cooperative agreement between Douglas County and the Douglas County School District (DCSD) to provide funding for a School Resource Officer in an amount not to exceed \$80,000 payable to Douglas County from the DCSD for agreement period July 1, 2013 through June 30, 2014.

MOTION to approve;

4o. For possible action. Discussion to approve a decrease in one Deputy Sheriff's position in Department 212 (Youth Services Officer) from full-time to a 19 hour per week position, thereby reducing annual expenses for the position by approximately \$66,594.

MOTION to approve;

4p. For possible action. Discussion to approve an increase in the hours of Records Technician position in the Sheriff's Administrative office from 21 hours per week to 30 hours a week, to provide continuous coverage to the public counter, telephone coverage and public information duties during emergencies at an additional annual cost of \$16,392 annually to be funded by salary savings.

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MOTION to approve;

DOUGLAS COUNTY LIQUOR BOARD

4q. For possible action. Discussion to approve the On-Site Retail Beer and Wine Liquor License for Thai Jasmine, Inc., dba Thai Jasmine, which is located at 1328 Highway 395, Suite 204, Gardnerville, Nevada, and represented by owner Watchara R. Lizama. Watchara R. Lizama has signed the Waiver of Notice of Hearing.

MOTION to approve;

REPORT OF FEES

4r. For possible action. Civil Clerks – December 2012

4s. For possible action. Tahoe General Services – December 2012

4t. For possible action. Tahoe General Services - January through December 2012

4u. For possible action. Recorder – December 2012

4v. For possible action. East Fork Constable – October through December 2012

4w. For possible action. Tahoe Constable – October through December 2012

MOTION to approve;

MOTION; carried unanimously.

ADMINISTRATIVE AGENDA

CONSENT CALENDAR ITEMS PULLED FOR FURTHER DISCUSSION:

None.

COUNTY MANAGER

5. Presentation by Joe Pollock on Nevada State Health Division environmental health services in Douglas County during 2012.

Joe Pollock, Program Manager for the Environmental Health Division, provided an overview of the services provided by the state. He discussed the total number of food establishments by county, assessment and fee structure by county, number of inspections conducted last year and the number of critical violations reported.

Mr. Pollock said they have reviewed and endorsed the plan for Carson City Health and Human Services to take over the environmental health program in Douglas County.

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The Board questioned the cost of having Carson City provide this service and Stephen Mokrohisky, County Manager, recalled other areas where Douglas County has worked regionally with Carson City. Staff believes working with Carson City would give Douglas County greater control and the opportunity to reduce the cost to the taxpayers for this service. He assured the Board this matter would be brought back to them for final action.

This was a presentation only.

COMMUNITY SERVICES

6. For possible action. Discussion to approve the recommendation by the Douglas County Selection Committee and endorsement by the Design Team selecting Core Construction and Tate Snyder Kimsey Architects as the successful Design-Build Team for the design and construction of the Douglas County Community & Senior Center to be located at 1329 Waterloo Lane, Gardnerville (the "Project"), award a contract to Core Construction and Tate Snyder Kimsey Architects in an amount not to exceed \$16,985,414.00 for design and construction of the project, and authorize the County Manager to approve County initiated change orders for the Project in an amount not to exceed 1% of the total contract price funded from savings from the Project and/or private donations.

Scott Morgan, Community Services Director, identified the design team and selection committee for this long awaited project. The project history, project description, site plan, existing site, on and off site design work completed, milestone schedule, expenses and funding sources, design build team selection process, operations and maintenance conformance, scoring system used, submittals received and the final scores of the design build teams, and a summary justifying the recommendation of Core Construction and TSK Architects were presented. Furnishings, fixtures and equipment are for the most part eliminated at this point. This building is a senior first approach with the remaining part coming in time. He thanked everyone who took part in getting to this point in the process. The summary of findings show this submittal gives the county and the citizens the facility they desire.

Chairman Lynn acknowledged Zach Wadle, Deputy District Attorney, for his invaluable assistance with the process.

Vice Chairman Johnson said this project has been to the polls twice, he did not support it either time, but this project is entirely different than the ones previously presented.

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PUBLIC COMMENT

Melinda Gneiting, Elaine Flynn (Chair of the Parks and Recreation Commission), Janice Rice (Champion for the Community and Senior Center), Jim Davis, Kory Koskin, Mark Waggoner, Heidi Robison, Cheryl Bricker (Partnership of Community Resources), Britta Swanson (Parks and Recreation Commission), Debra Lang (Carson Valley Chamber of Commerce), Paul Lockwood, Marion Barritt, Jim Slade, Bob Cook and Pastor Leo Kruger spoke in support of the project. Topics included: more volleyball venues are needed for practice; this will be beneficial to the community; the Parks and Recreation Commission supports the project; this project is the desire of the community; the recommendation of the committee deserves the Board's support; this is an important facility that has been missing in the community for many years; the process used was efficient and transparent; these courts are needed for the youth in the community; will be able to host league play now and that will benefit the economy of the towns; this center will help the youth, seniors, and economy of the community; this is an investment in the county's future; it is the finest product and the best square footage; will have economic value; the senior center will improve the health and wellness of the community; this was a collaborative effort; this will be money well spent; will add to the quality of life for the residents and will be a great county resource; this is the right project at the right time; this is a totally different project than the ones that went before the voters; and will attract people from all over to enjoy this facility.

Jack Van Dien thinks the project is terrific but being started at the wrong economic time. He stated the reasons he feels this project did not go before the people to vote on. The financing of the project is a particular concern to him because property taxes (medical assistance to indigents fund reserves) will fund a portion of the construction and it was represented that taxes would not be used to fund this project.

Public comment closed.

Commissioner Bonner thought it was important to remember the Utility Operator Fee will be used for the O&M but until we have O&M costs, it will be used to help retire some of the debt.

Stephen Mokrohisky, County Manager, clarified the financing of the project. He noted the medical assistance to indigent reserve funds are appropriate to use for this facility and the reserves in that fund have the potential to be swept by the state.

Continuing, Commissioner Bonner thanked all the companies that replied to the RFP and the committee for all their work. He indicated support for the committee's selection. He thanked Core Construction and TSK Architects for committing to use local companies and businesses.

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Commissioner McDermid thanked everyone involved in this process to help make a dream a reality, especially Mr. Morgan. The two projects that went to the voters were different. This is the right time for this project. We need a place for the young people to gather and participate in all types of activities and for the older generation to congregate and socialize; this center will be for everyone.

Commissioner Penzel thanked Mr. Morgan for his management of the process. While this is a good project, we have needs in the road and water/sewer areas too. He pointed out Kahle Park has three phases to it and only two have been completed. He is concerned about the expenses the county is incurring and about leaving the inside of the building undone. He discussed the bonding done for the project and how those bonds affect each and every one of us. This project needs to be looked at more thoroughly. He will probably support this because he is a team player and it is his job to make sure we get the best building for the money spent.

Vice Chairman Johnson appreciates Commissioner Penzel's comments. He thanked everyone for their involvement, especially Chairman Lynn. He indicated support for this incredible project.

Chairman Lynn thanked everyone for their work on this project and singled out Mr. Morgan for working tirelessly on it. He pointed out he did not support the 2004 community center ballot question but this is a different project. We are in a different environment now because we have a community that has increased expectations of services from the government. We will always be able to say "right project, wrong time". When is the right time? This is a solid structure and the process used to score the building was as objective as possible.

MOTION by McDermid/Johnson that based on the evaluation and findings contained in the report submitted by the Douglas County Selection Committee and Design Team: 1) approve the recommendation by the Douglas County Selection Committee and endorsement by the Design Team to select Core Construction and Tate Snyder Kimsey Architects as the successful Design-Build Team for the construction of the Douglas County Community & Senior Center to be located at 1329 Waterloo Lane, Gardnerville in Herbig Park (the "Project"); 2) authorize the award of a Design-Build contract pursuant to Nevada Revised Statute Section 338.1727 to Core Construction and Tate Snyder Kimsey Architects in an amount not to exceed \$16,985,414.00 for design and construction of the Project; 3) authorize the Douglas County District Attorney's office to negotiate and finalize the Design-Build contract with Core Construction and Tate Snyder Kimsey Architects in substantially the same form as the draft Design-Build contract that was included in the Request for Proposal issued for the Project; and 4) authorize the County Manager to approve Douglas County initiated change orders for the Project in an amount not to exceed 1% of the total

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Design-Build contract price provided the change orders are solely funded from savings from the project and/or private donations; carried unanimously.

REDEVELOPMENT AGENCY

7. For possible action. Discussion to award a contract for the Genoa Landscape Enhancement Project to A&K Earthmovers in the amount of \$1,013,000; to allow the Agency Executive Director to approve change orders in the amount of up to \$50,000, and to approve a reallocation of Fiscal Year 12/13 budget of \$144,207 from the Professional Services expenditure line item into the Capital Projects expenditure line item to meet a project funding shortfall.

Lisa Granahan, Economic Vitality Manager, said public input on this economic vitality project was received from the Town of Genoa, residents, and businesses. This project consists of new walkways, landscaping, undergrounding of four utility poles and wires, new lighting, signage, and improved parking, all which will keep the historic integrity of the Town of Genoa and will have many benefits for the Town. A history of the project process was provided. Some unexpected increased costs have arisen relating to the undergrounding of the utilities, lighting, paving, and easements. The project is planned to be completed by the end of June.

Commissioner Penzel pointed out not all the people and businesses in Genoa are in favor of this project. He asked if the possibility of running in historical sites when digging has been taken into account. Tim Russell, RCI, stated they plan to parallel existing utilities but they are unsure what they might find when they start digging. A geotechnical report was done and nothing was found.

Explaining the additional lighting requirement, Mr. Russell said NDOT required additional lights at the crosswalks and are requiring a lighting study to determine if the level of light meets their requirements. The lights are decorative and meet the night sky requirements. Ms. Granahan added the Genoa Historic Commission has reviewed the lighting.

PUBLIC COMMENT

H. William Brooks, 2266 Main Street, asked if bid Alternates 1 and 2 are part of the contract award and who from the county would be the contact for this project. *(Comments attached to the minutes as Attachment A)*

Public comment closed.

Ms. Granahan responded Alternates 1 and 2 are not included in this bid award. She will oversee the project and plans to be in Genoa often.

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Commissioner Bonner feels the investment in this combined project is \$2,200,000 and expressed concerns with scope creep. This funding is coming out of the Redevelopment Agency (RDA) and we do not know what other RDA obligations could come forward this year. He asked how long it will take the Town to generate enough revenue to justify this investment.

Commissioner Penzel feels the Board keeps getting piecemeal requests for expenses from different departments. He would like to have an overview of the county's financial situation and on the long term financial plan; doing these things in a piecemeal fashion can be detrimental to us.

He asked for an explanation on how the paver project melds with the asphalt trail and Mr. Russell explained how the paver pathway will abut the finished asphalt.

Stephen Mokrohisky, County Manager, explained the purpose of an RDA and said staff is comfortable with committing these RDA funds to this project. Approval of this contract will be funded from budgeted expenses that were approved by the Board for FY11/12.

Commissioner McDermid said the Town of Genoa is part of the RDA and the residents have paid into it with part of their property taxes so this is a way to return some of that money to them.

Vice Chairman Johnson added this is a return on investment for Genoa.

Chairman Lynn said this project has gone through a lengthy process, had public hearings, and has been examined over and over so it is not being done in a haphazard or spontaneous manner.

MOTION by McDermid/Penzel to award a contract for the Genoa Landscape Enhancement Project to A&K Earthmovers in the amount of \$1,013,000; to allow the Agency Executive Director to approve change orders in the amount of up to \$50,000, and to approve a reallocation of Fiscal Year 12/13 budget of \$144,207 from the Professional Services expenditure line item into the Capital Projects expenditure line item to meet a project funding shortfall; carried unanimously.

FINANCE

8. For possible action. Discussion and direction to staff on community grant applications funded from the Room Tax fund and Social Services Fund totaling \$47,605.

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Kathy Lewis, Budget Manager, stated these grants are not funded out of the General Fund.

While these are all worthwhile organizations, Commissioner Penzel thinks this is another example of a piecemeal attack on the budget process.

Commissioner McDermid asked for an explanation for the Ski Program request and Ms. Lewis said it was for transportation costs. The bus is provided by the school district. Commissioner McDermid questioned whether any other options were considered such as BlueGo or DART.

At this point, the Board took a short recess to clear up the confusion with the supporting material provided to the Board.

Stephen Mokrohisky, County Manager, clarified the information Commissioner Penzel was referring to was the same information that was provided to the public. However, the order of the information he was referring to was not the same and that is the reason for the confusion.

Tom Hickey, Douglas County Ski Club, said they have looked at other avenues for transportation but they feel it would not work because they have to have a bus there at all times to serve as a gathering point for the kids. The buses are a very important part of ensuring they have an accurate count of the kids at both the beginning and end of the day. The increased cost in transportation is due to having to pay the bus drivers' PERS. He noted 80-109 kids participate in the various programs.

Commissioner Bonner asked about the relationship between the Community Counseling Center (CCC) and Douglas County and the other programs. Karen Goode, Social Services Manager, said the CCC is requesting funds for inpatient residential treatment for Douglas County residents. In the future, Ms. Goode would like to have reports provided on the number of residents that actually use the contract amount. Alissa Nourse, Tahoe Youth & Family Services, stated there is no financial relationship between her organization and CCC. If there are inpatient needs, the client chooses between the options available. She explained SAPTA funding and a history of SAPTA funding received.

PUBLIC COMMENT

Stuart Posselt discussed his experience as a young skier and pointed out his parents covered all the expenses associated with it. He thinks the costs should be passed on to those who are taking part in the activity. The county should take the money and spend it on roads.

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Bob Cook, Zephyr Cove Ski Club, said they are not entitled to use public transportation because the program is administered through Parks and Recreation. They contract with the School District to use school buses and the schools and Kahle Park are set as the meeting places for the programs. The bus needs to be on the premises at all times so the kids have a place for their personal property. The county provides services to other programs in Douglas County by providing and maintaining parks, lighting, etc. Ski Club gives the kids something to do and a place to go.

Donna Buddington urged support for funding the Ski Club. It is a healthy activity for the kids. This amount being requested is small compared to what the return on the investment will be.

Sherry Waterson thinks the ski program is a great benefit for the kids. It helps the kids form bonds, friendships, and trust.

Sandy Cook thinks the ski program helps kids' self esteem, academic status, and friendships.

Public comment closed.

Commissioner McDermid pointed out this is not a question of the value of a program but only the cost of the program. Are there other alternatives for transportation?

Commissioner Bonner stated the funding amounts he could support.

MOTION by Johnson/McDermid to direct staff on the community grant applications funded from the Room Tax Fund and Social Services Fund totally \$47,605 as stated; carried with Bonner and Penzel voting Nay.

9. For possible action. Discussion on approval of use of the General Fund Adjusted Opening Fund Balance of \$562,867, which is available for appropriation based on actual operating budget results from Fiscal Year 2011-12.

Stephen Mokrohisky, County Manager, explained why this is being brought before the Board at this time and requested Board direction on the allocation of these funds. The options presented are only suggestions and the Board is free to allocate or not allocate this money as they wish.

Christine Vuletich, Assistant County Manager/CFO, explained what an opening fund balance is and provided the FY11/12 General Fund Opening Fund Balance and General Fund budget versus actual revenue and expenditure trends.

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Kathy Lewis, Budget Manager, outlined the possible uses for this one time funding and the Community Grant applications received.

Chairman Lynn would like to award \$94,500 in community grants (as awarded in 2011), fund the Court Clerk, set money aside for FEMA remapping of the Buckeye Wash, and give preventive road maintenance some help.

Commissioner McDermid questioned the cost of the Transportation Plan Update and Jeff Foltz, Senior Civil Engineer, stated the last cost to update this element was \$192,000. The last update was done by Parsons. We cannot do it internally because it requires modeling and we do not have the model or the staff capable of doing the modeling.

Commissioner Penzel asked how the FEMA remapping would impact the residents and if the costs associated with the remapping is recoverable from the federal government. Mr. Mokrohisky stated the remapping is an attempt to remove parcels from the floodplain and reduce the flood insurance costs to the residents. He is unsure whether the costs could be recovered from FEMA.

Vice Chairman Johnson would like to focus on the community grants and apply the balance to the General Fund to be used for unknown costs that could arise.

Commissioner McDermid would fund the community grants and the Justice Court as presented, apply ½ of the remaining balance to the road fund and reserve the rest for what might arise.

Commissioner Bonner can support funding the community grants as presented.

Commissioner Penzel would like to see the School District fund some of the grants since they have quite a bit of responsibility in some of these areas. Perhaps the funding could be on a percentage basis.

PUBLIC COMMENT

Carl Schnock thinks this appropriation process is flawed. He would like to see the applicant's budget and balance sheet. The criteria should be based on facts from the applicant and not based on personal or sensitive individual needs.

Chad Foster, DCEA president, urged the Board to be aware of the wage reductions taken by the employees and hopes those needs are taken into account.

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Doug Martin, Nevada Tahoe Conservation District, said they do provide a copy of their budget and appreciate any consideration the Board could give them for a community grant.

Public comment closed.

Commissioner Penzel thinks all the grant requests were not presented uniformly. He would like to know how much they need, how many people they serve, and would like a balance statement and an income statement. Those four documents are all that is necessary to do a thorough review of them. He discussed the differences in the types of organizations and their budgets that are all lumped together and would like to see a more accurate comparison in the future. Also, these requests should be done through the priority based budgeting system in the future. He can support \$62,500 in community grant awards.

Commissioner Johnson reminded everyone that these are gifts to organizations the Board feels are doing a good job for the community. Once these items become budgeted, they are there every single year. He can support \$100,000 in grants.

Commissioner Lynn agrees turning these into budgeted items poses unassessed risks. However, these are the groups that contribute worthwhile effort into the community and this is the process we have in place to fund those groups.

Commissioner McDermid acknowledges the process is not perfect and can be improved. These organizations provide services that the county may have to provide if they did not.

MOTION by McDermid/Johnson to approve the use of the General Fund Adjusted Opening Fund Balance of \$113,210 for community grants as presented and \$20,000 for the Tahoe Justice Court Clerk for appropriation based on actual operating budget results from FY11/12 and the remainder of the \$562,867 to be carried over to a later date; carried unanimously,

COMMUNITY DEVELOPMENT

10. For possible action. Discussion on the adoption of Ordinance 2013-1380, amending Douglas County Code Section 18.06.020 and the Gardnerville Town Boundary to include one parcel, totaling approximately 21.20 acres within the Minden/Gardnerville Community Plan, as requested by Scott Morgan, Douglas County Community Services Director, APN 1220-04-601-028, located next to 1325 Waterloo Lane, and other properly related matters. The subject property is located in the PF (Public Facilities) and GC (General Commercial) zoning

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districts. The Board of Commissioners may approve, approve with modifications, or deny the request. (2nd reading)

Dirk Goering, Assistant Planner, stated there have been no changes to the ordinance since its introduction.

No public comment.

MOTION by McDermid/Bonner to adopt Ordinance 2013-1380 (ref. DA 12-052), requested by Scott Morgan, Douglas County Community Services Director, to annex a 21.20 acre parcel into the Town of Gardnerville, based on the findings and conclusions in the staff report and recommendation by the Gardnerville Town Board; carried unanimously.

11. For possible action. Discussion on the adoption of Ordinance 2013-1381 (ref. DA 12-048), a Zoning Text Amendment initiated by the Douglas County Community Development Department to amend Douglas County Code (DCC) Chapters 20.654 through 20.668 and Appendix A to allow Special Occasion Homes as accessory uses for owner-occupied residences with a Special Use Permit and based on specific standards for the purpose of allowing special events at historic residential properties, and other properly related matters. The Board may approve, approve with modifications, or deny the request. (2nd reading)

Candace Stowell, Planning Manager, stated there have been no changes to the ordinance since its introduction and no public comment has been received.

No public comment.

MOTION by Bonner/McDermid Ordinance 2013-1381 (ref. DA 12-048), a Zoning Text Amendment initiated by the Douglas County Community Development Department to amend Chapters 20.654 through 20.668 and Appendix A in the Development Code to permit Special Occasion Homes as accessory uses for owner-occupied residences based on the discussion and findings in the staff report and recommendation of the Planning Commission; carried unanimously.

PUBLIC WORKS

12. For possible action. Discussion regarding possible improvements to US Highway 395 at the Airport Road intersection.

Jeff Foltz, Senior Civil Engineer, stated staff has been working with NDOT and the potential improvement options are a signal light or a shifting of the right turn lane. A traffic warrant signal analysis has to be completed before a traffic signal can be

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considered. Since this is an intersection of two NDOT roads, NDOT will come up with the best solution for this location.

PUBLIC COMMENT

Stuart Posselt doubts the capabilities of NDOT and cited his reasons why. If a light is put in at Airport Road, he would like it to be coordinated with the other lights so we do not have to stop three times when travelling northbound. He asked who would pay for the light.

Jim Slade believes most of the accidents at intersections are caused by driver error so is the solution to add a light at each of these intersections? It will delay travel up the highway and increase the risk of rear end accidents. The solution would be to put a sign at Airport Road cautioning the drivers to be extra cautious when pulling out.

Public comment closed.

Tom Moore, NDOT Assistant Chief Traffic Engineer, assured the Board they are working collaboratively with staff on solutions to road issues in Douglas County. Traffic signals are an emotional issue; they need to weigh the needs of the commuters with respect to the safety aspects of the road. Provided was an overview of the traffic signal consideration process much of which is regulated by the federal government.

Commissioner Bonner sees the value in a right turn lane. While we have not done our Transportation Plan, if a need for a light at Muller arises, we will have totally backed up the whole valley. We need to do this the right way.

Chairman Lynn understands the constraints of NDOT. The warrant study and MUTCD are going to govern what happens at this intersection.

Mr. Moore explained a warrant analysis was conducted in 2006 at Airport Road and the warrants were met but that only means a signal can be considered. Funding of the traffic signal would have to be determined if one is to be installed there. The goal is to keep the traffic moving but in the safest manner possible.

MOTION by Johnson/Penzel to direct county staff to continue to work with NDOT staff to implement safety improvements to U.S. Highway 395 at the Airport Road intersection; carried unanimously.

13. For possible action. Discussion related to the Board of County Commissioners providing direction to staff regarding the possible future implementation of availability charges in the rate setting process for Douglas County's water and sewer utility funds.

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Carl Ruschmeyer, Public Works Director, said the background on the item was included in the Board packet.

PUBLIC COMMENT

Stuart Posselt said it is unfair for the current users to subsidize the owners of vacant lots. A flat rate fee should be established and depreciation should be included. He urged charges be developed and implemented for the vacant lots to help reduce costs for current ratepayers. He added those fees should not be used for anything else other than to reduce the current ratepayer fees. He suggested Chairman Lynn not vote on this item since he owns vacant lots.

Bob Pohlman provided the number of vacant lots in the county systems and noted many of them are no longer owned by the original developer. He pointed out the depreciation and treatment costs of some of the sewer lines are being paid for by people who are not even using them.

Jack Van Dien believes not assessing availability fees does not make sense. Many of the improvements made to the sewer plant were made for anticipated development that never occurred. When the lots were not built on, hookup fees did not retire the debt on the systems and the depreciation falls on the built lots. That is not fair and the developers that have will serve letters or have extended their building permits should be paying availability fees.

Jim Slade believes this is a question of fairness and equity. Availability fees are allowed by NRS and approved by the Board in 1997. Infrastructure was put in to accommodate future growth and existing customers should not be picking up the entire tab for expanded infrastructure. Developers should be paying their fair share.

Carl Schnock thinks this is a question of equality between the users and nonusers of the system. He urged the Board to consider these fees.

Donna Buddington recalled the water consolidation issue and asked what difference availability fees might have made in that issue.

Chairman Lynn submitted an email received from James and Beverly Swain, supporting Mr. Posselt's position, for the record.

Public comment closed.

As a first step, Commissioner Bonner would like the District Attorney to look at the legality of these fees.

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Chairman Lynn stated he has no financial interest in the outcome of this discussion because he does not own any properties within the county's water and sewer systems so he will not recuse himself.

Commissioner McDermid asked if this is a fee or a tax and what the money collected can be used for. Also, what are the administrative costs associated with this fee and how will the billing be handled?

Commissioner Penzel thought the original concept of the availability fee and the connection fee was to pay off the bond and the interest so that is how this money could be used. Do we incentivize people to hook up because we need more people hooking up? Perhaps we should look at a \$20 availability fee to help pay down the bond and help pay some of the administrative costs. It could also help reduce the sewer fee for the current users of which he is one. He suggested offering those subject to a standby or availability fee the opportunity to apply what they have paid to at least the interest and maybe the bond principal too. Also an additional incentive could be offered if this is done within three years. He added citizen input would be value on this issue.

Doug Ritchie, Chief Civil Deputy District Attorney, stated NRS allows a standby fee and it is not a tax.

Vice Chairman Johnson does not think this fee is appropriate. There are other ways to go about this. It is a tax and a retroactive one at that. He would rather consider this for new developments rather than old developments. He cannot support implementing this at this time.

Commissioner McDermid thought applying this to old developments is problematic.

Commissioner Penzel supports the fairness side since he and his district are paying the fee. It is not for future development; it is for the here and now. This is unfair and ignoring it is going to result in huge problems. We are ignoring it by setting the fee at \$0 and applying it in the future. This would also be a mechanism to control growth. Many other systems are considering a rate increase so the county would be more attractive if they lower their rates. What is going to happen when the nitrate levels rise of the homes that are not hooked up and they then have to be hooked up? We are not approaching this correctly. We need to pay as we go.

MOTION by Penzel/to have staff study and determine the availability fee charge based on the depreciation cost, bond cost, and principal and interest cost and report back to the Board on the projected fee and consider the incentives that would work over a period of time;

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Chairman Lynn pointed out three of the proponents for standby fees have no stake in the outcome since they are not on county sewer systems. Just because entities in Nevada are charging a standby/availability fee does not mean the statute is legal. In places where they have been challenged, he explained the court's decision on these fees. He cannot support this because instituting it means we have to apply the capital payment to an eventual hookup fee. This could go on for years. He cannot contemplate this type of fiscal suicide. He has no appetite for this whatsoever.

MOTION; seconded by Commissioner Bonner.

MOTION amended by Penzel/Bonner to include sewer into the motion.

Vice Chairman Johnson indicated he cannot support this either.

Commissioner Bonner would still like to see what the administrative costs would be. He would like to make a decision on this to put it to rest.

Commissioner Penzel suggested developing a committee of citizens to look into this matter. Mr. Ritchie noted that committee would be subject to the Open Meeting Law. Commissioner Penzel thought we should have an advisory committee and their meetings should be held openly. This committee could investigate all the parameters and provide the Board with the information they need.

At this point, the Board took a break.

Commissioner Penzel withdrew his motion and the second agreed.

MOTION by Penzel/Bonner to direct staff to bring forward an action to impose an availability fee on vacant parcels within 330' of existing public sewer based on the capital component of the rate identified in the FCS study, with revenues generated to fund the capital investment;

Chairman Lynn clarified this motion means the revenue generated reduces debt but does not impact current rates. The rates would come back to the Board for approval.

MOTION; failed with Lynn, McDermid, and Johnson voting Nay.

MOTION by Johnson/Lynn to not direct staff to look at future implementation of availability charges for Douglas County's water and sewer utility funds; failed with McDermid, Bonner, and Penzel voting Nay.

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MOTION by Penzel/ to table this for further discussion until the budget process begins;

MOTION; dies for lack of a second.

Mr. Mokrohisky explained water and sewer rates are in place for this fiscal year and next fiscal year. The budget process does not contemplate water and sewer rate changes.

Commissioner McDermid asked to reconsider Commissioner Penzel's motion since this will still come back to the Board for final action.

MOTION by McDermid/Penzel to reconsider the motion made by Commissioner Penzel; carried with Lynn and Johnson voting Nay.

MOTION by Penzel/Bonner to direct staff to bring forward an action to impose an availability fee on vacant parcels within 330' of existing public sewer based on the capital component of the rate identified in the FCS study, with revenues generated to fund capital investment; carried with Johnson and Lynn voting Nay.

COUNTY MANAGER

14. For possible action. Discussion on confirmation of updates on the appointment of County Commissioners, staff and alternates to various Douglas County boards and committees.

Stephen Mokrohisky, County Manager, outlined the changes made to the appointments.

Commissioner Bonner pointed Western Nevada Home Consortium is no longer and should be removed from the list.

Commissioner McDermid said R.J. Clausson is no longer a valid alternate for TRPA.

No public comment.

MOTION by Bonner/McDermid to approve the appointments as stated; carried unanimously.

15. For possible action. Discussion on procedure and timing of the annual appointments by the Board of Commissioners to Advisory boards and committees.

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Commissioner Penzel is concerned there is not enough information provided on the candidates for appointment. Also, he would like to get input from the Chairman of the Advisory Board on who they would like to see appointed. Additionally he would like the candidates present at the Board meeting when the appointments are made to provide a brief explanation on why they would like to be appointed. Lastly, he would like the appointments delayed so the Board can look at it more thoroughly.

Commissioner McDermid explained how other jurisdictions handle appointments. She would like the appointments to take place in December.

Vice Chairman Johnson explained the appointments take place at the first meeting in January to allow the sitting Board to make the appointments. He does not want to change it to December.

Chairman Lynn does not want to change anything because often it is difficult to find people who are willing to serve the community. Subjecting them to “background checks” or short essays about themselves would make it more difficult to fill the committees. The current process serves us well.

Commissioner Bonner is fine with the current system but would like to have a requirement that everyone fills out an application.

No public comment.

MOTION by Johnson/Bonner to keep the discussion and procedure of the appointments by the Board of Commissioners at the same time and make an extra effort to include applications in the Board packet even if they are from previous years; carried unanimously.

16. Legislative Update. Presentation only on legislative matters that may impact Douglas County. No action will be taken other than to give limited staff direction.

Stephen Mokrohisky, County Manager, briefed the Board on when they are required to register as a lobbyist and when they can lobby on issues directly related to the scope of their office.

Commissioner Bonner reported less money will get to the counties as the changes to the economic development system at the state takes place. The funding formula for the colleges may change and some may lose 1/3 of their income. The margins tax will have a huge impact on businesses. The indigent defense fund is a new bill that will add additional sales tax. He requested the Board discuss these items in the future.

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This was a discussion only.

17. Reports/updates from County Commission members concerning the various boards and/or commissions that they may be a member of or a liaison to or meetings/functions they have attended. These boards/commissions/meetings include but are not limited to the: Nevada Association of Counties; Carson Water Subconservancy District; Lake Tahoe Visitors Authority; Tahoe Regional Planning Agency; Law Library; Nevada Works; Carson Valley Chamber and Visitors Authority; Tahoe Douglas Visitors Authority; Lake Tahoe South Shores Chamber of Commerce; Western Nevada Development District; Regional Transportation Commission; Nevada Tahoe Conservation District; Nevada V & T Railroad Commission; Joint Powers/Waste Management; Tahoe Transportation District, and the Debt Management Commission. There will be no action taken on these reports/updates.

Commissioner Bonner reported on the I-11 corridor study group meeting and the status of the NDOT road relinquishment process.

This was a discussion only.

MOTION by Johnson/Penzel to adjourn the meeting; carried unanimously.

There being no further business to come before the Board, the meeting adjourned at 7:34 p.m.

Respectfully submitted:

Greg Lynn, Chairman
Douglas County Board of Commissioners

ATTEST:

Ted Thran, Clerk-Treasurer

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